

Reg

A²+B.

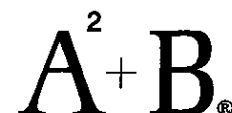
**RSE CONSULTANTS LTD
FINANCIAL ACCOUNTS
31 DECEMBER 2003**

Company Registration Number SC153752



ANDERSON ANDERSON & BROWN
Chartered Accountants
Aberdeen

RSE CONSULTANTS LTD
THE DIRECTOR'S REPORT
YEAR ENDED 31 DECEMBER 2003



The director has pleasure in presenting his report and the unaudited financial accounts of the company for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the provision of expert witness, independent insurance assessment and technical consultancy services.

The director considers the results for the year to be satisfactory.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial accounts.

The director has recommended the following dividends:

	2003	2002
	£	£
Dividends paid on ordinary shares	<u>48,000</u>	<u>66,500</u>

THE DIRECTOR AND HIS INTERESTS IN THE SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At	At
	31 December 2003	1 January 2003
R Sylvester-Evans	<u>100</u>	<u>100</u>

RSE CONSULTANTS LTD

THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2003

A²+B[®]

Signed by



R Sylvester-Evans
Director

Approved by the director on *7th September 2004.*

RSE CONSULTANTS LTD

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

YEAR ENDED 31 DECEMBER 2003

A²+B[®]

Company law requires the director to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial accounts, the director is required to:

- select suitable accounting policies, as described on page 7, and then apply them consistently;

- state whether or not applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts; and

- prepare the financial accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial accounts comply with the Companies Act 1985. The director is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RSE CONSULTANTS LTD
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2003

A²+B[®]

	Note	2003 £	2002 £
TURNOVER		122,088	159,091
Administrative expenses		<u>76,170</u>	<u>109,014</u>
OPERATING PROFIT	2	45,918	50,077
Interest receivable and similar income		198	338
Interest payable and similar charges	5	<u>(589)</u>	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		45,527	50,415
Tax on profit on ordinary activities	6	<u>7,159</u>	<u>10,309</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		38,368	40,106
Dividends	7	<u>48,000</u>	<u>66,500</u>
LOSS FOR THE FINANCIAL YEAR		(9,632)	(26,394)
Balance brought forward		<u>57,195</u>	<u>83,589</u>
Balance carried forward		<u><u>47,563</u></u>	<u><u>57,195</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 7 to 10 form part of these financial accounts.

RSE CONSULTANTS LTD

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

YEAR ENDED 31 DECEMBER 2003

$A^2 + B^{\circ}$

	2003	2002
	£	£
Profit for the financial year	38,368	40,106
Dividends	<u>(48,000)</u>	<u>(66,500)</u>
	(9,632)	(26,394)
Opening shareholders' equity funds	<u>57,295</u>	<u>83,689</u>
Closing shareholders' equity funds	<u>47,663</u>	<u>57,295</u>

The notes on pages 7 to 10 form part of these financial accounts.

RSE CONSULTANTS LTD

BALANCE SHEET

31 DECEMBER 2003

²
A+B[®]

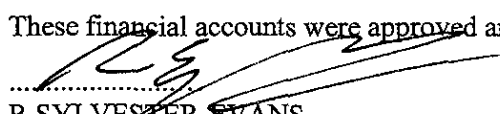
	Note	2003 £	2002 £
FIXED ASSETS			
Tangible assets	8	<u>8,981</u>	<u>2,560</u>
CURRENT ASSETS			
Debtors	9	65,633	48,487
Investments	10	7,180	7,180
Cash at bank		-	15,900
		<u>72,813</u>	<u>71,567</u>
CREDITORS: Amounts falling due within one year	11	<u>34,131</u>	<u>16,832</u>
NET CURRENT ASSETS		<u>38,682</u>	<u>54,735</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>47,663</u>	<u>57,295</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	100	100
Profit and loss account		<u>47,563</u>	<u>57,195</u>
SHAREHOLDERS' FUNDS		<u>47,663</u>	<u>57,295</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial accounts, so far as applicable to the company.

These financial accounts were approved and signed by the director on ...7th September 2004


R SYLVESTER-EVANS

The notes on pages 7 to 10 form part of these financial accounts.

RSE CONSULTANTS LTD
NOTES TO THE FINANCIAL ACCOUNTS
YEAR ENDED 31 DECEMBER 2003

A²+B[®]

1. ACCOUNTING POLICIES

Basis of accounting

The financial accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial accounts on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings 3-4 years

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

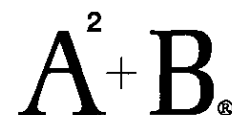
The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made only to the extent that it is probable that an actual liability will crystallise.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2003	2002
	£	£
Depreciation of owned fixed assets	<u>5,190</u>	<u>1,737</u>

RSE CONSULTANTS LTD
NOTES TO THE FINANCIAL ACCOUNTS
YEAR ENDED 31 DECEMBER 2003



3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2003	2002
	No.	No.
Number of administrative staff	1	-
Number of management staff	1	1
	<u>2</u>	<u>1</u>

The aggregate payroll costs of the above were:

	2003	2002
	£	£
Wages and salaries	33,695	69,000
Social security costs	3,356	7,658
Other pension costs	19,647	15,940
	<u>56,698</u>	<u>92,598</u>

4. DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were:

	2003	2002
	£	£
Emoluments receivable	<u>45,310</u>	<u>85,590</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2003	2002
	£	£
Interest payable on bank borrowing	568	-
Other similar charges payable	21	-
	<u>589</u>	<u>-</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

Taxation

	2003	2002
	£	£
Current tax:		
UK Corporation Tax based on the results for the year at 19% (2002 - 19%)	7,200	10,300
Adjustment in respect of previous years: (Over)/under provision in prior years	(41)	9
Total current tax	<u>7,159</u>	<u>10,309</u>

RSE CONSULTANTS LTD
NOTES TO THE FINANCIAL ACCOUNTS
YEAR ENDED 31 DECEMBER 2003

A²+B[®]

6. TAX ON PROFIT ON ORDINARY ACTIVITIES *(continued)*

Tax on profit on ordinary activities	<u>7,159</u>	<u>10,309</u>
--------------------------------------	--------------	---------------

The corporation tax charge is less than would result from applying the current rate of tax to the profit before tax because of the excess of capital allowances over depreciation where no provision is made for deferred tax on grounds of immateriality.

7. DIVIDENDS

The following dividends have been paid in respect of the year:

	2003	2002
	£	£
Dividend paid on ordinary shares	<u>48,000</u>	<u>66,500</u>

8. TANGIBLE FIXED ASSETS

	Fixtures & Fittings
	£
COST	
At 1 January 2003	30,242
Additions	<u>11,611</u>
At 31 December 2003	<u>41,853</u>
DEPRECIATION	
At 1 January 2003	27,682
Charge for the year	<u>5,190</u>
At 31 December 2003	<u>32,872</u>
NET BOOK VALUE	
At 31 December 2003	<u>8,981</u>
At 31 December 2002	<u>2,560</u>

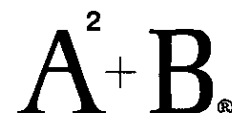
9. DEBTORS

	2003	2002
	£	£
Trade debtors	65,363	48,091
VAT recoverable	270	-
Prepayments and accrued income	-	396
	<u>65,633</u>	<u>48,487</u>

10. INVESTMENTS

	2003	2002
	£	£
Other investments	<u>7,180</u>	<u>7,180</u>

RSE CONSULTANTS LTD
NOTES TO THE FINANCIAL ACCOUNTS
YEAR ENDED 31 DECEMBER 2003



11. CREDITORS: Amounts falling due within one year

	2003	2002
	£	£
Bank loans and overdrafts	14,831	-
Corporation Tax	7,200	10,300
VAT	-	4,839
Other creditors	10,000	-
Director's loan	600	192
Accruals and deferred income	1,500	1,501
	<u>34,131</u>	<u>16,832</u>

12. RELATED PARTY TRANSACTIONS

Control

During the year the company was controlled by the director. Details of the director's interest in the share capital of the company are disclosed in the director's report.

Transactions

During the year the company had the following transactions with related parties:

R Sylvester-Evans, director The movement on the director's loan is shown in Note 11.

L Gray, wife of director During the year the company received a loan from L Gray of £10,000. The full amount is outstanding at the year end.

13. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>